

AIR COMMAND AND STAFF COLLEGE  
AIR UNIVERSITY

**DEFEATING HEZBOLLAH:  
A MATTER OF ECONOMICS**

by

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A Research Report Submitted to the Faculty  
In Partial Fulfillment of the Graduation Requirements

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Maxwell Air Force Base, Alabama

December 2009

Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE <b>01 DEC 2009</b>		2. REPORT TYPE		3. DATES COVERED <b>00-00-2009 to 00-00-2009</b>	
4. TITLE AND SUBTITLE <b>Defeating Hezbollah: A Matter of Economics</b>				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>Air Force Institute of Technology, 2950 Hobson Way, WPAFB, OH, 45433-7765</b>				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT <b>Looks at history of Hezbollah and offers a non-military strategy for defeating Hezbollah's grip over the Lebanese population based on social welfare theory.</b>					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>12</b>	19a. NAME OF RESPONSIBLE PERSON
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>			

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### **Defeating Hezbollah: A Matter of Economics**

In June of 2009, the pro-Western March 14 alliance won a parliamentary majority over its strongest opposition the Hezbollah-led March 8 alliance.<sup>1</sup> This victory is proof of Lebanon's increasing political stability and western-leaning ideology; additionally, it further supports the need for a more balanced U.S. foreign policy towards Lebanon with the goal of spreading more stable democracies across the Middle East bringing an end to age old turmoil and anti-Western distrust and violence. Despite the political loss, Hezbollah remains a significant threat to Lebanon's stability as well as regional stability due to its ties to Iran and Syria as well as its insistence to maintain a significant cache of arms in its resistance to potential Israeli incursions into southern Lebanon. Hezbollah's relative success in infiltrating Lebanon's mainstream polity presents a unique challenge to modern theories on the causes of terrorism as well as strategies designed to contain or defeat terrorism. The United States and its allies must develop a creative and balanced approach to mitigating Hezbollah's political and militant factions that incorporates measures aimed at weakening Lebanese public support towards Hezbollah without igniting further violence in the region.

### **Hezbollah's Rise to Power**

Hezbollah's rise to power stems from post World War II events that fertilized a sectarian environment in Lebanon where Christian, Druze, Sunni and Shia ideologies fueled a simmering storm. The League of Nations placed France in control of Lebanon after the British defeated the Ottomans in 1918. France would remain in control until 1943. After the establishment of Israel in 1948, the religious balance in Lebanon was disturbed as Arab refugees fled north. Following

the Iranian revolution in the late 1970s, the delicate religious balance in Lebanon finally erupted into civil war creating the environment needed for a radical resistance movement.<sup>2</sup>

Hezbollah emerged in 1982 as a resistance group following the Israeli invasion of southern Lebanon. Much of its early power came from close associations with Iran and Syria. For Iran, Hezbollah represented a proxy to spread the ideologies of the Islamic Revolution and Shi'ism. Southern Lebanon being largely comprised of Shia Muslims provided the perfect opportunity for the party to grow and begin spreading its ideology in a manner similar to the Iranian revolution. The radical ideology and revolutionary tendency exhibited by Hezbollah was not contained solely within Lebanon's borders. Hezbollah looked to spread its ideologies internationally; however, in recent years Hezbollah has demonstrated more focus by limiting its actions to activities in Lebanon, specifically as a counter to the Israeli incursions into southern Lebanon.<sup>3</sup> Lastly, Hezbollah gained most of its economic and training support from Iran during this period.<sup>4</sup> Weapons from Iran are also conclusive proof of Iranian interest in the group as a "proxy militia with which it can exert pressure on Israel."<sup>5</sup>

For Syria, Hezbollah became an important buffer from Israel as the two nations continued their dispute over the Golan Heights, land gained by Israel during the 1967 Arab-Israeli war.<sup>6</sup> Hezbollah's relations with Syria were crucial since the majority of its Iranian support and influence flowed through Syria.<sup>7</sup> Syria formerly maintained and still desires a strong influence in Lebanese affairs. In addition to looking at Lebanon as a buffer from Israel, Syria sought more influence internationally and used its influence in Lebanon to this gain. Using Hezbollah as a proxy gave Syria the inroads it desired; however, the radical Islamic tendencies of Hezbollah ran contrary to Syria's desire for regional stability leading to conflicts in Beirut between Hezbollah and Syrian factions.<sup>8</sup> This violence and the concern that it would further isolate Syria from

western powers drove Syria to become an important part of the peace talks that established governance in Lebanon in the early 1990s, ending the long civil war and creating the conditions that allowed Hezbollah to maintain its militias while exerting strong control over much of Lebanon.<sup>9</sup> Despite the end of the civil war, Hezbollah has continued its violence in the region. Most recently, Hezbollah's actions resulted in an invasion of southern Lebanon by Israeli forces further adding to the calls for disarmament of the militias.

Despite a violent history, Hezbollah's methods are not wholly militant in nature. Following the end of the Lebanese civil war, Hezbollah expanded its approach to include a political arm in addition to the militias that it maintained after the 1989 Taef accords. Hezbollah participated in the 1992 elections; furthermore, the group continues to be an active force in the Lebanese political system.<sup>10</sup> Currently Lebanon's polity is comprised of two major political coalitions. The March 14 coalition is an alliance of the Druze, Christians, and Sunni. Christians loyal to retired General Michel Aoun and Shia Muslims loyal to Hezbollah comprise the March 8 alliance. In June of 2009, Lebanese citizens went to the polls and gave the March 14 alliance a majority in the 128-seat parliament.<sup>11</sup> The 57 seats won by the March 8 group still give Hezbollah a significant voice in the Lebanese parliament, and it demonstrates the changing face of Hezbollah's activity in Lebanon, a change that opens the opportunity for some normalcy and stability in the region.

Hezbollah's participation in the political process is intriguing considering it claims to be a resistance group. Political normalcy appears to run contrary to its guerrilla tactics. This political activity also serves as a distraction from Hezbollah's militant intentions.<sup>12</sup> However, the reality is that Hezbollah views its political activism as a tactic that strengthens its position. As the Lebanese government attempts reforms aimed at improving services to sections of

society, Hezbollah is able to block these moves maintaining conditions that continually breed malcontent among the poor.<sup>13</sup> This in turn provides Hezbollah with fuel needed to disrupt legitimate political processes. In essence, it creates an endless cycle where the people feel neglected further driving them into the attractive arms of Hezbollah.

### **Understanding Hezbollah's Attractiveness**

As demonstrated by relative success in recent elections, Hezbollah is an attractive organization to many Christians and Shia Muslims in Lebanon despite the militant nature of the group. This militancy is responsible for much of the past and recent violence and turmoil that Lebanese citizens have endured and continue to endure; however, the people migrate to Hezbollah in the absence of a stronger Lebanese government. Understanding the socio-economic conditions in much of Beirut and southern Lebanon is the key to unlocking Hezbollah's grip in the region. Hezbollah draws its support from the poorest and least educated sectors of Lebanese society, two common characteristics for much of Beirut and southern Lebanon where 27 per cent of the population resides below the poverty line.<sup>14</sup> The results of an opinion poll conducted in 2006 in Lebanon showed that 81 per cent of Hezbollah's supporters survived on an income of less than \$1000 per month.<sup>15</sup> These findings are consistent with social scientists who state, "Hardcore support for Islamist parties tends to come from within the poorest urban slums, from workers in factories and from the rural villages."<sup>16</sup> Hezbollah's supporters are relatively poorly educated as well. The same opinion poll showed that "38.6 per cent had below middle school education, 45.6 per cent received secondary education, and only 15.8 percent had college education."<sup>17</sup>

This relatively impoverished and undereducated sector of society benefits from the numerous social welfare programs that Hezbollah provides. Hezbollah, with Iranian financial backing, capitalized on the socio-economic disparity that resulted from the services vacuum created by poor governance during and following the Lebanese civil war. The group earned support after funding and building community centers, churches, mosques, hospitals, and schools. They established social service organizations similar to western organizations like the Rotary and Lions Club.<sup>18</sup> Hezbollah's education programs manage nine schools teaching 5300 students.<sup>19</sup> "It runs 46 medical centres [*sic*] and a hospital, catering [*sic*] for more than 283,000 cases counted in 1995."<sup>20</sup> In addition to the popular support gained through these actions, Hezbollah also benefited from these initiatives by establishing a relative control over these areas. The schools and community organizations provide venues to spread their ideology, act as a basis of support for anti-western or anti-government demonstrations, and provide a network of facilities that support the militant arm's kinetic activities. Overall this collection of services, "presents an attractive alternative to the unreliable public services, and to the high cost and uncertainty of private services."<sup>21</sup>

### **Foundation of Future U.S. Foreign Policy**

As shown, Hezbollah has many faces. On one hand, it is a violent, radical Islamist resistance movement with aims to disrupt western influence in the region and Israeli settlement in northern Israel. On the other hand, Hezbollah is an effective political machine that uses economic assistance and social welfare programs to strengthen its position among the Lebanese populace. Developing a foreign policy agenda towards Lebanon and an agenda for defeating Hezbollah has perplexed U.S., western allies, and pro-western Arab nations in the region for the



last 25 years. Ultimately, there is no single best answer; however, a balanced approach that directly engages Hezbollah's power base, the people, and minimizes the rhetoric has the chance to succeed given time and patience.

It is clear that deterrence is not a strategy that has been particularly effective in combating Hezbollah's continued growth and its stranglehold on Lebanese society. One aspect of deterrence that makes it an approach doomed to fail is that it relies on the application of concessions and threat in an effort to change behavior.<sup>22</sup> With terrorist organizations, concessions will not work because their goals are not congruent with the world body. Hezbollah desires an end to the state of Israel, a condition that is untenable to most of the world. Threat also fails because in absence of action it is merely rhetoric. Rhetorical threats are dangerous to stability and only serve to inflame the situation. Secondly, history has shown that threat followed by action has created even greater problems. Israel's military action against Hezbollah during the 1996 Grapes of Wrath operation only further hurt stability by creating a refugee problem in Lebanon putting further strain on the Lebanese government.<sup>23</sup> Another aspect of deterrence, denial of resources, has also proven to be ineffective. This is evident by the inability of the U.S. and other powers active in the region to stem the flow weapons from Iran, a fact proven by Hezbollah's continued use of missiles against settlements in northern Israel. Therefore, avoiding deterrence suggests that the U.S. should take a different approach, an approach more likely to bring peace and stability and to create a higher socio-economic standing for the Lebanese people while shedding a more positive light on U.S. and Middle East relations.

Economic support represents a clear path toward the delicate predicament Hezbollah represents in the region. Fostering international economic aid to the Lebanese government has a two-fold effect. It clearly paints the U.S. in a more favorable light internationally and more

specifically in the region. The deterioration of Hezbollah's relevancy in Lebanese society is the more difficult effect to envision. This approach works because it directly attacks one of the root causes of terrorism and militancy that Hezbollah represents. It fills the socio-economic gaps created by weak governance. Since Hezbollah draws political and social power from those that have slipped through the cracks, filling the gaps naturally takes this power away. The result is a Lebanese government more favored by the people and a people less disenchanted and searching for representation and protection. This in turn will force Hezbollah to become even more active in the political process as it attempts to maintain its position within the government. This added political effort can further distract Hezbollah forcing it to abandon its militant arm for more acceptable mainstream endeavors. Sociologists support this theory suggesting that the process of mainstream political activity forces groups to set up a bureaucratic organization that effectively creates enough of a diversion where the group abandons its terrorist tactics.<sup>24</sup>

The last aspect of the U.S. foreign policy aimed at negating Hezbollah's grip on Lebanese society should focus on Iran and Syria. Effective diplomacy based on negotiation and understanding can further isolate Hezbollah from its ideological headwaters. There is already evidence that Hezbollah has become less of an Iranian proxy. Efforts further diminishing those ties will only speed the process. Hezbollah has already demonstrated that it is making decisions that are not necessarily in line with Iran's desires,<sup>25</sup> and that it has already abandoned the goal of establishing Islamic rule in Lebanon.<sup>26</sup>

## **Conclusion**

Hezbollah, as a proxy of Iran's Islamic revolution, has been and continues to represent a significant threat to stability in Lebanon and the Middle East as a whole. The U.S. and other

western and pro-western nations need to adopt a strategy against Hezbollah aimed at defeating the organization while not directly attacking it. Israeli actions have proven that direct military engagement of this type only fuels the fire and strengthens Iranian support to Hezbollah.

Focusing on economic aid policies, serving the dual purpose of benefiting the Lebanese people while strengthening a pro-western Lebanese government, represents the best option for defeating Hezbollah. Hezbollah has already shown its movement towards normalcy by participating in the electoral process. Therefore, stronger financial support to Lebanon will continue to force Hezbollah to participate in the government leading to its total abandonment of militant tactics and or to its complete fall from its current powerful position. Ultimately, a stable democratic Lebanon, free of Hezbollah's violent grip, could serve as a beacon of hope for stability throughout the Middle East.

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<sup>1</sup> Jane's, "Sentinel Country Risk Assessments: Lebanon, Internal Affairs," Obtained from: [http://www4.janes.com/subscribe/sentinel/EMEDS\\_doc\\_view.jsp?Sent\\_Country=Lebanon&Prod\\_Name=EMEDS&K2DocKey=/content1/janesdata/sent/emedsu/lebns070.htm@current#toclink-j1091153819804331](http://www4.janes.com/subscribe/sentinel/EMEDS_doc_view.jsp?Sent_Country=Lebanon&Prod_Name=EMEDS&K2DocKey=/content1/janesdata/sent/emedsu/lebns070.htm@current#toclink-j1091153819804331) (accessed 8 Dec 2009), (*Jane's*).

<sup>2</sup> Dona J. Stewart, "Economic Recovery and Reconstruction in Postwar Beirut," *American Geographical Society* 86, no. 4 (Oct., 1996): 488.

<sup>3</sup> Ibid., 137.

<sup>4</sup> Nathalie Tocci, "The Impact of Western Policies Towards Hamas and Hezbollah: What Went Wrong?" (obtained from course advisor), 137.

<sup>5</sup> Robert Grace and Andrew Mandelbaum, "Understanding the Iran-Hezbollah Connection," *Center for Conflict Analysis and Prevention, Muslim World Initiative*, <http://www.usip.org/resources/understanding-iran-hezbollah-connection> (obtained from course advisor), 2.

<sup>6</sup> Emile El-Hokayem, "Hizballah and Syria: Outgrowing the Proxy Relationship," *The Washington Quarterly* 30, no. 2 (Spring, 2007): 38.

<sup>7</sup> Ibid., 36.

<sup>8</sup> Ibid., 37.

<sup>9</sup> Ibid., 38.

<sup>10</sup> Ibid., 137.

<sup>11</sup> Michael Slackman, "American-Backed Alliance Appears to Win in Lebanon" *The New York Times*, 8 June 2009, A7.

<sup>12</sup> Sheri Berman, "Taming Extremist Parties: Lessons From Europe," *Journal of Democracy* 9, no. 1 (January 2008): 6.

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<sup>13</sup> Imad Salamey and Frederic Pearson, "Hezbollah: A Proletarian Party with an Islamic Manifesto – A Sociopolitical Analysis of Islamist Populism in Lebanon and the Middle East," *Small Wars and Insurgencies* 18, no. 3 (September 2007): 428.

<sup>14</sup> CIA, "CIA World Factbook: Middle East: Lebanon," Obtained from: <https://www.cia.gov/library/publications/the-world-factbook/geos/le.html> (accessed 8 Dec 2009), (CIA).

<sup>15</sup> Imad Salamey and Frederic Pearson, "Hezbollah: A Proletarian Party with an Islamic Manifesto – A Sociopolitical Analysis of Islamist Populism in Lebanon and the Middle East," 422.

<sup>16</sup> Ibid., 421.

<sup>17</sup> Ibid., 422.

<sup>18</sup> Ibid., 425.

<sup>19</sup> Mona Harb and Reinoud Leenders, "Know they enemy: Hizbullah, 'terrorism' and the politics of perception," *Third World Quarterly* 26, no. 187 (2005): 187.

<sup>20</sup> Ibid., 187.

<sup>21</sup> Ibid., 188.

<sup>22</sup> Robert F. Trager and Dessislava P. Zagorcheva, "Deterring Terrorism," *International Security* 30, no. 3 (Winter 2005/2006): 89-90.

<sup>23</sup> Ibid., 103.

<sup>24</sup> Sheri Berman, "Taming Extremist Parties: Lessons From Europe," 6.

<sup>25</sup> Robert Grace and Andrew Mandelbaum, "Understanding the Iran-Hezbollah Connection," 4.

<sup>26</sup> Mona Harb and Reinoud Leenders, "Know they enemy: Hizbullah, 'terrorism' and the politics of perception," 185.

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